Capturing Opportunity:

Developing the WIOA Memorandum of Understanding

Purposes...

✓ Overview the Regulatory Requirements for the Development of Local MOUs

✓ Outline the Required MOU Elements

✓ Discuss Sharing Customers and Services to Share Costs

✓ Recommend Next Steps and Strategies to Successfully Negotiate the MOU
The WIOA MOU Regulatory Framework...

The Memorandum of Understanding Requirements

- The Law and the Joint Final Rule
- Arizona Joint Operational Guidance 2016-01

What Is the Content of the MOU?

- Shared System (Vision, Goals, System Design, and System Access)
- Shared Services (Program Services and Career Services)
- Shared Customers (Access, Referral, and Co-Enrollment)
- Shared Costs (System, Services, Infrastructure)
§ 678.500: What is the MOU for the one-stop delivery system and what must be included in the MOU?

“The MOU is the product of local discussion and negotiation, and is an agreement developed and executed between the Local Board, with the agreement of the chief elected official and the one-stop partners, relating to the operation of the one-stop delivery system in the local area.”

§ 678.510: How should the MOU be negotiated?

“WIOA emphasizes full and effective partnerships between Local Boards, chief elected officials, and one-stop partners. Local Boards and partners must enter into good-faith negotiations. Local Boards, chief elected officials, and one-stop partners may also request assistance from a State agency responsible for administering the partner program, the Governor, State Board, or other appropriate parties on other aspects of the MOU.”
## Required WIOA One-Stop Partners

“Participating in the Operation of a One-Stop Delivery System”

- WIOA T-I Adult, DW, Youth
- Wagner-Peyser
- Adult Education and Literacy
- Vocational Rehabilitation
- Career, Technical Education
- Title V Older Americans Act
- Job Corps
- Native American Programs
- Migrant Seasonal Farmworkers
- Jobs for Veterans
- YouthBuild
- Trade Adjustment Assistance
- Community Action (E/T Progs)
- Housing Authority (E/T Progs)
- Unemployment Compensation
- Second Chance

- Arizona: TANF Not a Required Partner; Local TANF May Opt to Do So
- Others (If Chief Elected Officials and Governor, Says, “Yes”)

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Roles and Responsibilities of the One-Stop Partners

- **Provide** access through the one-stop delivery system to such program or activities carried out by the entity, including making the career services...that are applicable to the program or activities available at the one-stop centers.

- **Use** a portion of the funds available for the program and activities to maintain the one-stop delivery system, including payment of the infrastructure costs of one-stop centers.

- **Enter** into a local memorandum of understanding with the local board, relating to the operation of the one-stop system.

- **Participate** in the operation of the one-stop system consistent with the terms of the memorandum of understanding, the requirements of this title, and the requirements of the Federal laws authorizing the program or activities.
WIOA: Memorandum of Understanding Content Requirements

✓ Services to be provided through the one-stop delivery system...including the manner in which the services will be coordinated and delivered through such system

✓ How the costs of such services and the operating costs of such system will be funded, including—

- Funding through cash and in-kind contributions (fairly evaluated), which contributions may include funding from philanthropic organizations or other private entities, or through other alternative financing options, to provide a stable and equitable funding stream for ongoing one-stop delivery system operations

- Funding of the infrastructure costs of one-stop centers
Methods of referral of individuals between the one-stop operator and the one-stop partners for appropriate services and activities

Methods to ensure the needs of workers and youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in the provision of necessary and appropriate access to services, including access to technology and materials, made available through the one-stop delivery system; and

Duration of the memorandum of understanding and the procedures for amending the memorandum during the duration of the memorandum, and assurances that such memorandum shall be reviewed not less than once every 3-year period to ensure appropriate funding and delivery of services

The MOU: Sharing Services and Customers to Share Costs
Who Negotiates the MOU?

§678.415: What entity serves as the one-stop partner for a particular program in the local area?

“The entity that carries out the program and activities...is the grant recipient, administrative entity, or organization responsible for administering the funds of the specified program in the local area.

The term “entity” does not include service providers that contract with, or are subrecipients of, the local administrative entity.

The WIOA Title II Adult Education Partner:

The state agency responsible for administering or supervising policy for adult education and literacy activities...may delegate its responsibilities to one or more eligible providers or consortium of eligible providers.
### Partners at the Table: Who Makes Decisions, How?

<table>
<thead>
<tr>
<th>State Operated</th>
<th>State Administered</th>
<th>Locally Operated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wagner-Peyser</td>
<td>Adult Ed/Literacy</td>
<td>WIOA AD/DW/Youth</td>
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<tr>
<td>Migrant/Seasonal Trade Act</td>
<td>Career/Tech Ed</td>
<td>Job Corps</td>
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<tr>
<td>Vets</td>
<td><em>(May Delegate to Providers)</em></td>
<td>Native American</td>
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<td>Unempl Compens Voc Rehab</td>
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<td>Youth Build</td>
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<td>Second Chance</td>
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### MOU Negotiation Challenges:

- **Knowing Who Should Be at the Table**
- **Single Delegated Provider Representing Multiple Providers**
- **Varying Authority to Make Decisions in Real Time**
- **Lengthy Decision Making and Signature Process**
Workforce Innovation and Opportunity Act
Arizona Joint Operational Guidance 2016-01

- Arizona Department of Economic Security
  Division of Employment and Rehabilitation Services:
  Title I-B Adult, Dislocated Worker, and Youth Programs
  Title III Wagner Peyser Employment Service
  Title IV Vocational Rehabilitation

- Arizona Department of Education (ADE)
  Title II Adult Education and Literacy

Framework for
One-Stop System Memorandum of Understanding

This Operational Guidance is to inform all Local Workforce
Development Area staff and interested parties of the
framework for the Memorandum of Understanding (MOU)
between local boards and one-stop partners.
Arizona’s Timeline

November 4, 2016:
Submit **final draft MOU** for review by DES and ADE

December 2, 2016:
Submit the **signed MOU, with existing resource sharing agreements** attached, for each local area

July 1, 2017:
Develop and sign the WIOA compliant infrastructure **cost sharing agreement** (for the center) and the system cost-sharing agreement (for the system)
Arizona Joint Operational Guidance 2016-01...

Required MOU Components:

A. Vision and Goals

B. System Design

C. System Access

D. Sharing System Services and Customers

E. Sharing One-Stop System and Operating Costs

F. Additional Information

Negotiation and Development Sequence Is Important!
Process for Developing the Memorandum of Understanding

1. Sharing Vision and Goals
   Partners, Partner Promises, Customers, and Outcomes

2. Sharing System Design and Ensuring System Access
   System Design (Center, Affiliates, Partner Locations, Virtual)
   Ensure Access for Individuals with Barriers to Employment

3. Sharing Services
   System Services
   Career Services Applicable to Each Partner
   Who Offers Which Career Service, How
   Plans for Integration and Coordination of Career Services
4. Sharing Customers
   Referral Protocols
   If, When, How Co-Enroll

5. Sharing Costs
   Defining System Costs
   Defining One-Stop Center Infrastructure Costs
   Allocating Costs According to Partner Benefit

6. Signing the MOU
   (If No Local Consensus on Costs, State Decides)

Implementing the MOU with Continuous Improvement
Arizona MOU Content Requirements...

Vision and Goals

• The partners (mandatory and others), purposes and outcomes of the system

• System customers and partner responsibilities

• Duration of the MOU and procedures for amending it

• Assurances that each MOU will be reviewed, and if substantial changes have occurred, renewed, not less than once every three-year period

• When fully executed, the MOU must contain the signatures of the local board, one-stop partners, chief elected official(s), and the time period in which the agreement is effective.
Federal Partners’ One-Stop Vision

USDOL (TEGL 04-15)
“Vision for the One-Stop Delivery System Under WIOA”


Rehabilitation Services Administration (RSA-TAC-15-02)
“Vision for the State Vocational Rehabilitation Services Program as a Partner in the Workforce Development System Under the WIOA”


Office of Career, Technical and Adult Education (OCTAE/DAEL 15-4)
“Vision of the Adult Education and Literacy Act in the Workforce System and Initial Implementation of the WIOA”

http://www2.ed.gov/about/offices/list/ovae/octae-aefla-vision.pdf
Example: The Partnership Vision, Goals, and Outcomes

The Partners Commit To Work Together To...

1. Build a **One-Stop System** of Service Delivery System With **Every Service Location** Serving as **On-Ramp** for All Partner Services

2. Increase Customer **Access to Comprehensive, Timely, Responsive, and Customized Services** with a Focus on Individuals with Barriers to Employment


4. Identify **Career Pathways** (Responding to Industry Talent Needs) and Offer Customers the Opportunity to Obtain the Skills and Credentials Necessary to Find Better Jobs at Better Wages
5. Enhance **Employer Engagement** to Build a Occupational/Skills Demand-Driven System, Improve Business Services, and Provide More Work-Based Learning Opportunities

6. **Align Individual Program Policies, Procedures and Processes** (When Not Constrained by Program-Specific Law or Regulation) to Achieve Greater Partnership in Service Delivery

7. Seek Practical Opportunities to **Share Resources, Reduce Redundancies** and Waste, and Make Integrated Service Delivery **More Streamlined** for Customers and Frontline Staff

8. Strengthen **Frontline Staff Relationships and System Affiliation**, Offer Staff **Training** in Partner Services, and Provide **Tangible, Helpful Tools** to Facilitate Seamless Service Delivery

9. Support Partner Programs in Achieving **Success with the Performance Indicators**
Example: Mutual Partner Promises

The Partners and All Partner Staff Promise To...

1. **Put the Customer First** with the Focus on Individualized, Quality Customer Services
2. **Follow-Through on Cross-Partner Referrals** and Customer Connections and Do So on a Timely Basis
3. Commit to **Continuous Learning About Partner Programs** to Better Understand Opportunities for Partnership and Linkages
4. Recognize and **Respect the Competencies** and Constraints of Each Partner and **Tap Their Expertise** for Improvement
5. Be **Transparent and Honest**
6. **Say What We Will Do and Do What We Say**
7. **Exhibit Openness to Change**
Arizona MOU Content Requirements...

System Design

- *Services to be provided through the one-stop delivery system... coordinated and delivered through all components of the system*

- *System map, partner program locations, comprehensive and affiliate sites, branding*

§ 678.300: What is the one-stop delivery system?

“The **one-stop delivery system** brings together workforce development, educational, and other human resource services in a **seamless customer-focused service delivery network** that **enhances access** to the programs' services and improves long-term employment outcomes for individuals receiving assistance. One-stop partners administer separately funded programs as a set of integrated streamlined services to customers.”
Mapping the System: Increasing Access to the Workforce System

Every Door is the Right Door: Every Customer at Every Location Is a System Customer
Building System Affiliation...

Common One-Stop Delivery System Identifier (Branding)

§ 678.900: What is the common identifier to be used by each one-stop delivery system?

“The common one-stop delivery system identifier is the “American Job Center.” As of July 1, 2016, each one-stop delivery system must include the “American Job Center” identifier or “a proud partner of the American Job Center network” on all products, programs, activities, services, facilities...and materials used in the one-stop system.”

Arizona: “The workforce system outreach and branding is a shared state and local board responsibility. Local areas must use ARIZONA@WORK, the approved WAC branding, on all one-stop center signage, outreach materials, electronic medium, and affiliate site signage.”
Arizona MOU Content Requirements...

System Access

- Methods to ensure the needs of workers, youth, and individuals with barriers to employment, including individuals with disabilities, are addressed in providing access to the system.

- Access to technology and materials, ADA compliance.

Providing System Access to Individuals with Barriers to Employment:

- Customer-Centered Program Design
- Service Hours
- Language, Literacy, and Culture
§ 678.800: ...comply with the disability-related regulations implementing WIOA sec. 188...include, but are not limited to:

(1) Providing reasonable **accommodations**

(2) Making reasonable **modifications to policies, practices, and procedures** where necessary to avoid discrimination against persons with disabilities

(3) Administering programs in most **integrated setting** appropriate

(4) **Communicating** with persons with disabilities as effectively as with others;

(5) Providing **appropriate auxiliary aids** and services, including assistive technology devices and services, where necessary to afford individuals with disabilities an equal opportunity to participate in, and enjoy the benefits of, the program or activity

(6) Providing **physical accessibility** of one-stop center (**and system**)
Arizona MOU Content Requirements...

Sharing System Services and Customers

- Program partner services and system career services
- Methods for referring individuals between the one-stop operators and partners for appropriate services and activities
- Information sharing and confidentiality requirements

Program partner services and system career services:

- Program Partner Services Accessible Though One-Stop System
  - One-Stop System Career Services
  - Career Services Applicable to Partners

Important for Cost-Sharing!
### Partnering on WIOA Career Services

**§678.425:** What are the applicable career services that must be provided through the one-stop delivery system by required partners?

“**Applicable career services** to be delivered by required one-stop partners are services...**authorized** to be provided under each partner's program.”

<table>
<thead>
<tr>
<th>Eligibility for Title I services</th>
<th>Follow-up services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outreach, intake, orientation</td>
<td>Comprehensive assessment</td>
</tr>
<tr>
<td>Initial assessment</td>
<td>Individual employment plan</td>
</tr>
<tr>
<td>Labor exchange services</td>
<td>Career planning, counseling</td>
</tr>
<tr>
<td>Referrals to programs</td>
<td>Short-term prevocational services</td>
</tr>
<tr>
<td>Labor market information</td>
<td>Internships, work experience</td>
</tr>
<tr>
<td>Performance, cost information</td>
<td>Out-of-area job search</td>
</tr>
<tr>
<td>Supportive services information</td>
<td>Financial literacy services</td>
</tr>
<tr>
<td>UI Information and assistance</td>
<td>ELA and Integ Educ/Train Progs</td>
</tr>
<tr>
<td>Financial aid information</td>
<td>Workforce preparation</td>
</tr>
</tbody>
</table>
Example...Partner Agreements to Share System Services

1. Provide **training to all partner frontline staff** to have a broad understanding of all **partner program services and eligibility** to increase customer access to system services

2. Increase the **promotion of system services** through the inclusion of system services in customer orientations

3. Distribute **partner program fact sheets** in all service locations

4. Give appropriate levels of **access for frontline staff to program partner customer databases** to permit staff to better serve customers being served by more than one program partner

5. Share customer information (whenever possible and legal) to reduce the need for redundant information collection through adopting a **cross-partner confidentiality policy and developing a standardized customer release form**
### Arizona MOU Content Requirements...

- **Methods for referring individuals** between the one-stop operators and partners for appropriate services and activities

### Potential MOU Referral Agreements:

- ✓ Staff Training on Partner Services and Eligibility
- ✓ Criteria and Methods for Co-Enrollment
- ✓ Referral Standards and Protocols
- ✓ Pre-Screened, Appropriate, Vetted, Likely to Convert
- ✓ Partner Referral Liaisons (A Person, Not a Program)
- ✓ Follow-Through Expectations and Reporting Back
- ✓ Recording (and Tracking) Referrals Made in Data System
Example...Partner Agreements to Share System Customers

1. Implement a **standardized cross-partner referral process**: 
   - Increases the appropriateness and **quality of referrals**
   - **Reduces redundant customer information** collection
   - Provides clarity on who is the **point of contact**
   - Sets expectations for **timeliness, follow-through, and feedback** after the referral is made

2. Encourage **co-enrollment** across partner programs (when appropriate) to enhance the services received by customers and to provide these services through **integrated case management**
Arizona MOU Content Requirements...

Sharing One-Stop System and Operating Costs

- Final plan for how the local boards and partners will fund the infrastructure costs of the one-stop centers. If a final plan regarding infrastructure costs is not complete when other sections of the MOU are ready, an interim infrastructure funding agreement may be included instead.

- Partners may include language regarding infrastructure center costs that will be developed by July 1, 2017, and all partners to this MOU to adopt the infrastructure cost sharing agreement at that time without requiring an amendment to the MOU.

Joint WIOA Final Rule Issued June 30, 2016!

Many Additional Details on Cost-Sharing Requirements... State Partners Are to Provide Guidance on Local Implementation
Joint WIOA Final Rule:

Required Guidance to Support Local Negotiations

“§ 678.705: What guidance must the Governor issue regarding one-stop infrastructure funding?

(a) The Governor...must develop and issue guidance for use by local areas, specifically:

(1) Guidelines for State-administered one-stop partner programs for determining such programs’ contributions to a one-stop delivery system...

(2) Guidance to assist Local WDBs, chief elected officials, and one-stop partners in local areas in determining equitable and stable methods of funding the costs of infrastructure at one-stop centers based on proportionate use and relative benefit received, and consistent with Federal cost principles...”
Overview of the Cost Sharing Requirements

**Subpart E of Joint WIOA Final Rule (678.700 - 678.760)**

- **All one-stop partners** are required to use a portion of their funds to **provide applicable career services**, jointly fund the one-stop center infrastructure costs, and to share in other **agreed-upon costs** relating to the operation of the one-stop delivery system (678.420)

- The sharing of **costs must be consistent with the Federal law authorizing the partner’s program** and with **Federal cost principles** (including that costs be allowable, reasonable, necessary, and allocable)

- **Two kinds of costs** are to be shared:
  - Comprehensive Center **infrastructure costs**
  - Other shared **one-stop delivery system costs**
- **Center infrastructure costs are nonpersonnel costs** necessary for the operation of the Comprehensive Center

- The cost allocation to each partner program must be **based upon the partner’s proportionate use of the one-stop center/s** and the relative benefit received

- **Two mechanisms for sharing infrastructure costs:**
  - **A Local Mechanism** (678.715)
  - **A State Mechanism** (678.730), which is implemented only when necessary due to failure of local negotiations

- **If any Local Area is unable to reach agreement with all local one-stop partners** on the sharing of infrastructure costs, then the **state mechanism is triggered for that Local Area** and the state will then determine the one-stop partner contributions

- **All Local Areas must have a negotiated and signed a MOU** (including the cost-sharing agreement) by July 1, 2017
Infrastructure Cost Sharing Under the Local Funding Mechanism

§ 678.700: What are the one-stop infrastructure costs?

“Infrastructure costs of one-stop centers are nonpersonnel costs necessary for the general operation of the one-stop center, including:

(1) Rental of the facilities;
(2) Utilities and maintenance;
(3) Equipment (including assessment-related products and assistive technology for individuals with disabilities); and
(4) Technology to facilitate access to the one-stop center, including technology used for the center’s planning and outreach activities.

...may consider common identifier costs...one-stop infrastructure.”

“Each entity that carries out a program or activities in a local one-stop center must use a portion of the funds available for the program ...payment of the infrastructure costs of one-stop centers.”
Sequence: Local Infrastructure Funding Mechanism

Develop Annual Infrastructure Budget for Each Center

Determine Benefit Received by Partners for Each Center

Decide and Apply Cost Allocation Methodology

Identify Cash, In-Kind, Third-Party In-Kind Contributions

Comply with Source of Partner Funds

Reconcile on a Regular Basis
Example: **Infrastructure Budget and Line Items**

<table>
<thead>
<tr>
<th>Rental of the Facilities</th>
<th>Technology to Facilitate Access to the Center Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Utilities/ Maintenance Costs</strong></td>
<td>- Technology used for center’s planning/outreach activities</td>
</tr>
<tr>
<td>- Electric, Gas, Water, Sewer</td>
<td>- Cost of creation and maintenance of a center website (not specific to individual partner)</td>
</tr>
<tr>
<td>- High-speed Internet</td>
<td></td>
</tr>
<tr>
<td>- Telephones (landline)</td>
<td></td>
</tr>
<tr>
<td>- Facility maintenance contracts</td>
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</tbody>
</table>

**Equipment Costs**
- Assessment-related products
- Assistive technology for individuals with disabilities*
- Copiers, Fax, Computers
- Other tangible equipment used to serve all center customers

**Common Identifier Costs (Local Option)**
- Creating new signage
- Updating templates/materials
- Updating electronic resources

* “**Must Have Access and Accommodation Line Item**”
Examples of Cost Allocation Methodology...

Examples of cost allocation methods that may be utilized include, but are not limited to, the following:

Co-located Partners...

- Proportion of a partner program’s occupancy percentage of the Center square footage
- Proportion of partner program’s staff among all staff at Center
- Percentage of a partner program’s use of equipment at Center

Co-located and Non-Colocated Partners...

- Proportion of a partner program’s customers compared to all customers served by the Center
Partner Sharing of Other One-Stop Delivery System Costs...

§678.760: “How do one-stop partners jointly fund other shared costs under the Memorandum of Understanding?

(a) ... one-stop partners... must use a portion of funds made available under their programs’ authorizing Federal law... to pay the additional costs relating to the operation of the one-stop delivery system. These other costs must include applicable career services and may include other costs, including shared services...

(b) ... shared services’ costs may include the costs of shared services that... may be commonly provided through the one-stop partner programs to any individual, such as initial intake, assessment of needs, appraisal of basic skills, identification of appropriate services to meet such needs, referrals to other one-stop partners, and business services. Shared operating costs may also include shared costs of the Local WDB’s functions...
# Sequence for Negotiating Annual “Other System Costs” Budget

### Start with MOU: Sharing Customers and Sharing Services

### Develop a Consolidated “Applicable Career Services” Budget

*Must Include: “Applicable Career Services”*

### Decide What Else Is Included in the “Other System Costs” Budget

*May: “Commonly Provided Services” and “LWDB Functions”*

### Determine Partner System and/or Center Benefit

*Both Co-located and Non-Colocated Partners*

### Decide and Apply Cost Allocation Methodology

*Identify Cash, In-Kind, Third-Party In-Kind Contributions*

### Reconcile on a Regular Basis
Overview of the State Infrastructure Funding Mechanism

Reference: Joint WIOA Final Rules §§ 678.730 through 678.750

- The state funding mechanism only applies to the sharing of one-stop infrastructure costs and not the sharing of “other one-stop delivery system costs”

- For any program year (beginning July 1) where local agreement has not been reached with all local one-stop partners on the sharing one-stop infrastructure costs, the local board must notify state of the impasse

- Once the notification has been received, the Governor and the State Superintendent of Public Instruction will initiate a process to determine each one-stop partner’s contributions to one-stop infrastructure costs in that local area for that program year
The Arizona State Superintendent of the Public Instruction will make this determination for Adult Ed and Career and Technical Education and the Governor for all other one-stop partners, except Native-American Programs, which are exempt from requirements.

§678.730: “In States in which the policy-making authority is placed in an entity or official that is independent of the authority of the Governor with respect to the funds provided for...Title II of WIOA, postsecondary career and technical education activities...the determination of the amount each of the applicable partners must contribute to assist in paying the infrastructure costs of one-stop centers must be made by the official or chief officer of the entity with such authority, in consultation with the Governor.

Any duty, ability, choice, responsibility, or other action otherwise related to the determination of infrastructure costs contributions that is assigned to the Governor...also applies to this decision-making process performed by the official or chief officer...”
The state infrastructure funding mechanism includes:

- Developing a **budget** for one-stop infrastructure costs (unless already agreed by the local one-stop partners in the local area)

- Determining a **cost-sharing methodology** based upon each one-stop partner program’s proportionate use of the one-stop system and relative benefit

- Calculating and complying with the **WIOA statewide program caps** on infrastructure cost contributions

- Notifying the LWDB of the **contributions required** by each local one-stop partners in the sharing of infrastructure costs

- Providing local partners an **opportunity to appeal** the decision

*Under the state infrastructure funding mechanism, only certified one-stop centers are able to receive infrastructure funding.*
Take-Aways! Best Bets! Priorities!